

C-08091

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Full-size Transcript

Prepared by:

C-08091

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**GOVERNMENT
EXHIBIT**

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17-CR-64 (DWF/KMM)

1 THE WITNESS: So they asked for a six-month
2 extension to pay the rest of it, which may, by the way,
3 have something to do with why Apollo Gemstone didn't
4 clear their -- didn't close. But that was going on.
5 Again, it was immaterial, and Ed said on that, well, if
6 they don't fill out the agreement, we have the company
7 backing.

8 BY MR. WISNIEWSKI:

9 Q Well, how about -- at the time that the asset
10 purchase agreement between Apollo Diamond and public Scio
11 became effective, what was your understanding of Mr.
12 Adams' role at public Scio?

13 A I had no understanding.

14 Q How about Mike Monahan?

15 A I had no understanding on what either one of
16 their roles were, other than sequentially you recall
17 everything was going to be through private Scio, and it
18 became evident at some point there was a communication
19 between Lancia and Adams and they said we can't. We are
20 unable to meet our goals for raising money. They were
21 stuck at \$2 million.

22 So they had their own set of strategy
23 discussions, which I was not privy to, and they decided
24 to follow this public Scio route.

25 Q Let me know if this is a fair characterization.

1 You can tell me if it's not.

2 A Sure.

3 Q After March of 2011 did you have any
4 involvement in the --

5 A No.

6 Q -- Apollo Diamond --

7 A No.

8 Q -- or Apollo Diamond Gemstone Corporation
9 transactions?

10 A No.

11 Q Okay. Did you have any interactions with Joe
12 Lancia or anyone at public Scio about the transactions?

13 A No. The only -- no. That's right.

14 Q So did you leave it up to Ed Adams to figure it
15 out, to get the deal done?

16 A As far as I was concerned, once I had signed
17 off on the agreement, it was done. They signed it. I
18 signed it. It was done.

19 All of these little nuances about whether they
20 had enough money or they could raise enough money, not my
21 department. I just didn't know. I didn't want to know,
22 and nobody bothered to tell me and it was appropriate.
23 It was now their company. I could not -- I had no
24 standing in terms of asking questions.

25 Q So the money that came into Apollo Diamond, the